NSC BRIFFING

1 October 1958

State Department review completed

1 aside from US-Nati rela involved in Sieg's 30 Sept prinza There has been little change in political aspects of laises first eltection during past week.

- A. Chimene Communists are standing pat. Their public statements give impression they believe pressure is free world is building up against Di position.
- Soviets have gives no hist they plan to reise Strait isma in UF at this time.
 - Soviet newspapers have, however, placed new stress on mesting of Communist Chine in UN so "only solution" to Triver Strait crisis and have even asserted this is the prerequisite for "avertise war."
 - 2. Communists may be waiting for further build-up of tession before making their move in UN. Ambassader Lodge is apprehensive that several UN members (especially in latin America) may cease backing the US if issue becomes our of "war or peace."
- C. Chinese Mationalists continue their opposition to any costo Communista. Improvement in Chimnens supply plature (worked by officer reland sit itself) has leasuned pressures in Talpei for unilateral action agminst mainlend.
- Chinese Communists, Nationalists, and Russians all apparently waiting further developments in Chimmon blockade situation.

Should not memo wichele as a king Retion a brief 200't 1 Wat reactions them for to Seen. Dulles' 30 Right remarks? That Papprover for Reliase 200 1/01/15: CIA-RDP79R00890A004000000003-7cal agast."

Also, what have true body for US-New ress, + for Continue rect.

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- A. Supply deliveries improved during last week, but average daily totals still below minimum requirements of garrison.

 (Daily average last week 175 tons, previously was 100 tons minimum requirement 300 tons daily.) Taiman defense Commend confident, however, minimum totals can soon be supplied.
 - 1. Bed weether, which will continue through wister, forder convolutions convoys throw days last week.
 - 2. As of 39 September food stocks on Chimmens totaled 36 days and ammunition stocks 29 days.

mapply picture brightens and Nationalist air force continues as excellent performace. Chicoms my come to believe their negotiating position has been weakened and decide to up military atches, Among measures open to them are:

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intensification of artillery interdiction.

150 new gas positions opposite Chineses.

unking a total of about 1,000 positions, not all occupied.
(Now about 570 gues there.)

- B. Mining of see approaches. We have no evidence that Chicoes considering this course, but we think it is a pensibility.
- C. Air stracks against ses and air supply lines.

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l. So far, Communist aircraft have made no stracks on corroys,

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- 3. So fer, eas Matiemelist transport plane has been losi to antisireraft fire, none to fighters.
- D. Communists could also increase pressure by more direct action 25X1 much as seizure of Tatan and Ebrica.

- N. Communists could begin operations against hitherto unsolested Matsus-interdiction or attack.
 - positions and other military facilities on Pelling

 Peninsula, opposite Nataus. (150 gau positions—about 25)
 helf of them occupied.)

7. Placity, Chicome could make frontal smeault on Chiamen itself, but this seems unlikely at present.

- IV. Before taking any direct setion, however, we think Chicoms work want to improve performance of their air force.
 - A. We noted last week that there is evidence of high-performance sireraft operating in Streit area (possibly NIG-19-FARME) but no such aircraft have been used in combet.
 - B. Chicons might also wast to use better pilots.
 - 1. US embassy in denese cites first indications in Soviet press that Soviet air force personnel being prepared psychologically for "volunteer" service in Far East.

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- C. Chimat was of Sidewinder missile has provoked a strong propaganda reaction from Poiping, and may result in Chica: use of similar toviet-made weapons.
 - Poiping calls (himst use "criminal action" and promise: 25X1 "panitive blows" egainst Chimat air force.

- Chinese Communists also continue their numbered warmings against We armed "provocations" (18th was issued on BOToptomber). Wate no threat of counter-action, but we suspect Chicome may be considering one or more of the courses listed above with the eblect of:
 - Indressing pressure on US in Warmay talks sad/or.
 - Provoking unilatoral Chinat action which would give the

II. But, "considering" doesn't mean They'll do This. Then we continue to gide, That CC. pressures well remain about as have been for municid future.

Sheren This brushing wat repeats yesterdays performance; it that they are considering. Not affect of this bringing.

25X1 is an est. State? view That C.C. pressure may slacken Approved For Release 2004/01/15: CIA-RDP79R0089QA001000060003-7

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